FSC-68-A	4/3/97	PARTIAL DISTRIBUTION
SUBJECT: Eclipse New Product/Price Reduction		

DISTRIBUTION:

X AVP	X KAM	___ DM
X RSM	X AM	___ RM
X RBM	X AE	___ Sales Rep
X ROM		___ Retail Rep

PARTIAL DISTRIBUTION

11 ___	21 x	51 ___	62 ___
12 x	22 x	54 ___	63 ___
13 ___	23 x	56 ___	66 ___
16 ___	26 ___	58 x	67 ___
17 x	29 ___		69 x
18 x			

Starting May 12, 1997 we will begin shipping new/improved Eclipse product at full list price versus premium list price. The new list price will be $61.95 per M versus the current list price of $65.70 per M.

The new product will be easier to light and has a new filter design which gives Eclipse a richer, fuller flavor. There will be some minor pack graphic changes; however all UPC codes, case/carton/pack will remain the same.

Smoker Research on the new/improved Eclipse indicates that:

- After trying the improved Eclipse, twice as many smokers were interested in buying Eclipse
- 30% more smokers rated the new product easier to light.
- 50% more smokers rated the new product more pleasurable.

Field Sales Accountabilities

Direct Accounts

- Call on all Direct Accounts (Attachment I) the week of April 14, 1997 to review the changes being made to the product and to provide them with the following information:

1. The last date they will be able to order the current Eclipse product will either be April 23 or April 24, 1997 (depending on transit time) with the last delivery day being Friday, April 25, 1997.

2. Shipments will be suspended from Monday, April 28 through Friday, May 9, 1997. Orders will only be accepted during this period for delivery on Monday, May 12, 1997 or thereafter.

3. All deliveries starting May 12, 1997 will be at the new list price of $61.95 per M and will be the new/improved product.

4. Old style Eclipse returned through July 25, 1997 will be reimbursed at the current list price of $65.70 per M. Returns received after this date will be reimbursed at the new list price.

   IMPORTANT NOTE: As soon as the new product arrives we should physically call on all Direct Accounts to insure that any remaining warehouse inventories of the current product are placed in each accounts Returned Goods Section and returned to Winston-Salem as soon as possible.

5. Suggest that Direct Accounts revise the price of Eclipse to retailers to reflect the lower list price effective Monday, May 12. Also we should suggest that Direct Accounts advise their retail customers of the product improvements, price reduction and the need to return the current product as soon as they receive their first order of the new product.

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Source: https://www.industrydocuments.ucsf.edu/docs/tyvp0000

Retail Accounts

- Start advising Chains (Attachment II) and Independent Retailers of the product improvements and price reduction the week of April 14, 1997.

- Pre-book orders to be delivered the week of May 12 as we anticipate some out of stocks due to the suspension of shipments for two weeks.

- Carton inserts intended to inform current Eclipse smokers of the product improvements will be in the first 300 cases of new Eclipse shipped.

- Starting May 12 during normal coverage we should return all on hand retail inventories of the old product to Direct Accounts.

  It is very important that this is accomplished as soon as possible since Direct Accounts only have until July 25 to return the old product and be reimbursed at the higher list price.

  The easiest way to determine if product at retail is the old style is:

Carton Inventory:	Any carton with a C7 code date or earlier is the old style
Package Inventory:	Any pack with an insert on the back of the pack is the old style. The new product will have a similar insert; however, it will be inside the pack.

  Also all old cartons and packs state nearly 90% less second hand smoke whereas the new product states 80% less second hand smoke.

- Starting May 12, we should suggest that retailers revise the price to reflect the lower list price and to sell Eclipse for the same retail price as all other full price brands. All current price signs showing the premium price should either be revised, replaced or removed entirely from retail stores.

To support the re-launch of the new, improved Eclipse the following will occur starting in July:

- Major newspaper ads
- Out of Home advertising
- Retail Intercept
- Free Lighter with one pack purchase counter displays
- Retail POS changeover
- Direct Mail delivering B1G1F and $3.00 off a carton coupons

During normal coverage beginning June 30, Retail Reps should ensure all old Eclipse POS is converted to new POS. POS materials to convert, along with item numbers will be provided in the near future.

A Fact Sheet for your use in presenting the new Eclipse to your accounts will be mailed to each ROU and each Account Executive. ROU will need to distribute face sheets to all affected KAMs, AMs and DMs. Samples of the new cigarette will be provided shortly.

Program Contacts: Larry Sasso, extension #0662
Floyd Cook, extension #3466

R. J. REYNOLDS TOBACCO COMPANY

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Source: https://www.industrydocuments.ucsf.edu/docs/tyvp0000

Attachment 1

DIRECT ACCOUNTS

	ACCOUNT NUMBER	DIVISION	ACCOUNT NAME
1.	629300	2148	Tag Distributors
2.	273600	2240	Head Tobacco
3.	255120	2135	HT Hackney Athens
4.	255360	2135	HT Hackney Knoxville
5.	623564	2242	Eli Witt
6.	353665	2148	L. P. Shanks
7.	159000	2135	Dixie Savings Stores
8.	553475	2842	Miller & Hartman
9.	487560	6944	Charles C. Parks
10.	376430	2242	Mclane Southeast
11.	665276	1840	Mclane Cumberland
12.	691758	2144	American Sales
13.	538350	2135	Revco
14.	596590	2232	Smith & Son
15.	055080	2243	Birmingham Tobacco
16.	576370	2243	Scottsboro Wholesale
17.	430200	2243	Mitchell Grocery
18.	786765	6944	Fleming Nashville
19.	498270	2135	Peytons Southeast
20.	195240	2242	Clifford D. Fite
21.	633120	6944	Tennessee Foods
22.	518339	2842	J. F. Walker
23.	030286	2144	Ingles Markets
24.	112440	2243	City Wholesale
25.	7867650	6944	Malone & Hyde
26.	4123800	2142	Merchants Distributors
27.	2116800	2126	Gallins Vending Company

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Attachment II

CHAINS

REGION #	CHAIN ID	CHAIN
N/A	20000000	K-Mart
N/A	10511000	Circle K
N/A	20335000	Walgreens
1200	35302000	Hess
1700	10200000	Revco
1700	11010000	Rite Aid
1700	12370100	Fuel Mart
1800	11200000	Speedway
2100	58300000	Golden Gallon
2100	10530000	Favorite Market
2100	28300000	Mr. Zip
2100	21105000	Conoco
2100	12910000	Fast Food & Fuel
2100	56200000	Pilot Oil
2100	25090000	Rocky Top
2100	51600000	Bi Lo
2100	91700000	Ingles
2100	16380000	Calibur
2100	25070000	Chatsworth Food Ctr.
2100	39760000	Cookes Food
2100	41770000	Sunset
2100	55200000	Pruetts Foodtown
2100	50200000	Food Lion
2100	26010000	Cherokee Liquidator
2100	19550000	Tobacco Mart
2200	20900000	Wal-Mart
2200	35260000	Buds
2200	11101020	Winn Dixie
2200	10413000	Kroger
2200	13230000	Wallace
2200	56100000	Racetrac
2200	16410000	Country Cupboard
2200	30680000	Circle M
2200	13270100	Read Starstaff
2200	28830000	Jiffy Mkt./Smile Gas
2200	10200000	BigB/Drugs For Less
2200	10210000	Food Max
2200	35000000	Pit Stop
2200	30710000	Shop Rite
2200	38280000	Quick Mart
2200	51820000	Quick Stop
2200	17960000	Cowboys
2200	55660000	Royal Foods
2300	10306000	Eckerd
5800	22000100	EZ Serve
6900	31504000	Delta
6900	22670000	Scot Oil
6900	42020000	Cone Oil
6900	50800000	Freds Discount
6900	22280000	Agee Self Serve

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